

State of Colorado
Oil and Gas Conservation Commission

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Document Number:
401224666
Date Issued:
03/03/2017
Date Resolved:

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 522, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 523, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 100322

Name of Operator: NOBLE ENERGY INC

Address: 1625 BROADWAY STE 2200

City: DENVER State: CO Zip: 80202

Contact Name and Telephone:

Name: Scott Park

Phone: (970) 304-5273 Fax: ()

Email: scott.park@nblenergy.com

Well Location, or Facility Information (if applicable):

API Number: 05-123-11709-00

Facility or Location ID:

Name: EASTON

Number: 2

QtrQtr: NWNW

Sec: 12

Twp: 4N

Range: 65W

Meridian: 6

County: WELD

ALLEGED VIOLATION

Rule: 308B

Rule Description: Completed Interval Report

Initial Discovery Date:

Was this violation self-reported by the operator? No

Date of Violation:

Approximate Time of Violation:

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 308B, Noble Energy Inc (Operator) is required to submit a Form 5A, Completed Interval Report, within 30 days after a formation is temporarily abandoned. Operator TAd the Easton #2 well, API 123-11709, on October 26, 2015. Operator failed to file the required Form 5A until October 27, 2016 (Document #401136082), violating Rule 308B.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 04/03/2017

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

In its Rule 522.d.(2) NOAV Answer, due within 28 days of Operator's receipt of this NOAV, Operator shall provide an explanation of how in the future Form 5A, Completed Interval Reports, will timely be submitted as required by Rule 308B.

Rule: 309

Rule Description: Operator's Monthly Production Report

Initial Discovery Date:

Was this violation self-reported by the operator? No

Date of Violation:

Approximate Time of Violation:

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 309, Noble Energy Inc (Operator) is required to submit Form 7, Monthly Reports of Operations, for all existing oil and gas wells that are not plugged and abandoned within 45 days after the end of each month. Operator is required to report each formation that is completed in a well every month from the time that it is completed until one month after abandonment. Operator failed to report the status of the Sussex formation for the Easton #2 well, API 123-11709, (Well) from March 2009 to April 2010.

Operator also inaccurately reported the Niobrara/Codell formation as Shut-In when it should have been reported as Temporarily Abandoned (Document #401136082) from November 2015 to present, violating Rule 309.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 04/03/2017

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall submit corrected reporting for the Sussex formation of the Well from March 2009 to April 2010 and shall submit corrected reporting for the Niobrara/Codell formation for November 2015 to the present.

Rule: 319.b

Rule Description: Temporary Abandonment

Initial Discovery Date: _____ Was this violation self-reported by the operator? No

Date of Violation: _____ Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 319.b, Noble Energy Inc (Operator) is required to file a Sundry Notice, Form 4, requesting approval before a well can be temporarily abandoned. Additionally, pursuant to Rule 319.b, Operator is required to file an annual Form 4 stating the method the well is closed to the atmosphere and plans for future operation. Operator TAed the Easton #2 well, API 123-11709, (Well) on October 26, 2015 (Document #401136082). Operator did not file a Form 4 until January 24, 2017 (Doc No. 401193071), violating Rule 319.b.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 04/03/2017

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

In its Rule 522.d.(2) NOAV Answer, due within 28 days of Operator's receipt of this NOAV, Operator shall provide an explanation of how in the future Form 4, Sundry Notices, will timely be submitted as required by Rule 319.b.

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 522.d.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgement may be entered. Hard copy answers are filed with the Commission Secretary at the Commission's Denver office and should also be emailed to dnr_cogccenforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: 03/03/2017

COGCC Representative Signature: _____

COGCC Representative: Barbara Westerdale Title: Permit/Completion Supervi

Email: barbara.westerdale@state.co.us Phone Num: (303) 894-2100x5159

CORRECTIVE ACTION COMPLETED

Rule: 308B

Rule Description: Completed Interval Report

Corrective Action Start Date: _____ Corrective Action Complete Date: 10/27/2016

Has corrective action for this violation been performed as required? Yes

Description of Actual Corrective Action Performed by Operator

Operator filed the delinquent Form 5A on October 27, 2016.

Rule: 309

Rule Description: Operator's Monthly Production Report

Corrective Action Start Date: _____

Corrective Action Complete Date: 03/20/2017

Has corrective action for this violation been performed as required? Yes

Description of Actual Corrective Action Performed by Operator

Operator submitted corrected Form 7's on March 20, 2017.

Rule: 319.b

Rule Description: Temporary Abandonment

Corrective Action Start Date: _____

Corrective Action Complete Date: 01/24/2017

Has corrective action for this violation been performed as required? Yes

Description of Actual Corrective Action Performed by Operator

Operator submitted the delinquent Form 4 on January 24, 2017.

FINAL RESOLUTION

Cause #: 1V

Order #: 629

Docket #: 170500011

Enforcement Action: Administrative Order of Consent

Final Resolution Date: 05/01/2017

Final Resolution Comments:

Resolved via Order Number 1V-629, entered on May 1, 2017.

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

| <u>Document Number</u> | <u>Description</u> |
|------------------------|------------------------------------|
| 401224673 | NOAV COVER LETTER |
| 401224674 | NOAV CERTIFIED MAIL RECEIPT |
| 401224682 | NOAV ISSUED |
| 401224683 | NOAV IN PROCESS |
| 401247919 | NOAV CERTIFIED MAIL RETURN RECEIPT |
| 401249111 | NOAV COVER LETTER |

Total Attach: 6 Files